

Message Text

CONFIDENTIAL

PAGE 01 LISBON 02601 082055Z

67

ACTION EUR-12

INFO OCT-01 IO-10 ISO-00 SAM-01 CIAE-00 COME-00 EB-07

INR-07 LAB-04 NSAE-00 SIL-01 OMB-01 SAJ-01 SS-15

NSC-05 PA-01 USIA-06 PRS-01 SP-02 /075 W

----- 070204

P R 081849Z MAY 75

FM AMEMBASSY LISBON

TO SECSTATE WASHDC PRIORITY 2731

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

USMISSION EC BRUSSELS

USMISSION GENEVA

AMEMBASSY LONDON

AMEMBASSY MADRID

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY STOCKHOLM

USMISSION NATO

DIA WASHDC

USCINCEUR VAIHINGEN GER

C O N F I D E N T I A L LISBON 2601

E.O. 11652: GDS

TAGS: ELAB, PINT, PO

SUBJ: LABOR SITUATION

REF: LISBON 2598 (NOTAL)

SUMMARY: LABOR SITUATION INCREASINGLY FLUID. VARIETY OF FACTIONS
PROMOTING UNREST FOR DIFFERENT AND CONFLICTING REASONS. UNITARY
LABOR LAW TO BE PROMULGATED SOON. SOCIALISTS APPARENTLY SATISFIED
WITH PROVISIONS OF LAW REQUIRING UNION ELECTIONS. HOWEVER, SOME
UNIONS WILL BE ABLE TO AVOID NEW BALLOTING IF ELECTIONS HELD
AFTER APRIL 25, 1974, ARE DEEMED TO MEET CONDITIONS
SPECIFIED BY NEW LAW. END SUMMARY.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LISBON 02601 082055Z

1. LABOR SITUATION IN PORTUGAL IS INCREASINGLY UNSETTLED.

COUNTRY HAS BEEN WRACKED BY CONTINUING SERIES OF LABOR PROBLEMS OVER PAST YEAR, BUT THERE HAS BEEN MARKED INCREASE SINCE APRIL 25 ELECTIONS. SOME PATTERNS SEEMS TO BE EMERGING.

2. ONE TYPE OF PROBLEM IS APPARENTLY BASED ON BREAD AND BUTTER ISSUES SUCH AS STRIKE OF MUNICIPAL WORKERS IN OPORTO AND NEIGHBORING MUNICIPALITIES. FACT THAT WELL-PAID NATIONALIZED BANK WORKERS ARE NOW GOVERNMENT EMPLOYEES HAS INCITED MINICIPAL EMPLOYEES TO SEEK CLOSER EQUIVALENCY IN PAY.

3. ANOTHER TYPE OF PROBLEM TYPIFIED BY GRAPHIC ARTS UNION DISPUTE. GRAPHIC ARTS WORKERS DEMONSTRATED MAY 6 AT MINISTRY OF LABOR AND KEPT MINISTER AND MANY MINISTRY EMPLOYEES IN BUILDING HOURS AFTER WORKING DAY. COPCON ARMORED CARS REPORTEDLY CALLED OUT TO KEEP ORDER. LABATT AT START OF DEMONSTRATION SAW SOME 1,000 WORKERS ON HAND. GRAPHIC ARTS UNION LEADERSHIP HAS BEEN DISPUTED BETWEEN COMMUNISTS AND FAR LEFT GROUPS. PCP ELEMENTS WON LAST ELECTION BUT ARE CURRENTLY FOLLOWING HARD LINE CONTRARY TO POLICY ENDORSED BY INTERSINDICAL. PERHAPS NOTEWORTHY THAT COMMUNIST LED CLEARICAL WORKERS UNION HAS REPUDIATED DEMANDS OF GRAPHIC ARTS WORKERS.

4. STILL ANOTHER TYPE OF DISPUTE IS EXEMPLIFIED BY THE 10,000 STRIKING CHEMICAL, PLASTIC, AND RUBBER WORKERS IN NORTHERN PORTUGAL. THEIR SOCIALIST AND AOC LEADERSHIP OPPOSES INTERSINDICAL AND IS DEFYING THE GOVERNMENTS EFFORTS TO CALM THE ISSUE.

5. ASIDE FROM BREAD AND BUTTER ISSUES AND STRIKES INSTIGATED BY (OR TO FORESTALL) FAR LEFT, OTHER LABOR PROBLEMS SEEM DESIGNED PRIMARILY TO UNDERMINE THE PRIVATE SECTOR. EXAMPLE OF THIS IS HOTEL AND RESTAURANT WORKERS STRIKE WHICH WILL SURELY ADD FURTHER DAMAGE TO WHAT ALREADY PROMISES TO BE A DISASTROUS TOURIST SEASON. RESPONSIBLE BUSINESS LEADERS ARE GIVING INCREASING IMPORTANCE TO BOOK WRITTEN BY PCP LEADER CUNHAL OUTLINING THE PROGRESSIVE LIQUIDATION OF BIG, MEDIUM, AND SMALL BUSINESS AND, AFTER THE DELUGE, THE CREATION OF A PURE MARXIST SOCIETY. LABOR MINISTER COSTA MARTINS HAS DESCRIBED HOTEL DISPUTE AS "INEXPLICABLE."

6. UNITARY LABOR LAW ANNOUNCED - GOP HAS ANNOUNCED THAT FINAL
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 LISBON 02601 082055Z

APPROVED TEXT OF UNITARY LABOR LAW WILL BE PROMULGATED IN THE OFFICIAL GAZETTE WITHIN A FEW DAYS. ADVANCE TEXT OBTAINED BY EMBASSY INDICATES THAT BOTH PCP AND SOCIALISTS CAN CLAIM GAINS OVER PRELIMINARY TEXT REPORTED EMBASSY'S A-135 OF DECEMBER 1974. COMMUNIST GAINS ARE THE RECOGNITION OF UNION DIRECTORATES ELECTED AFTER APRIL 25, 1974, IF ELECTIONS MEET CONDITIONS SPECIFIED BY LAW. SOCIALIST GAINS ARE IN MAKING ALL UNION ELECTIONS BY SECRET BALLOT (FORMERLY ONLY

INDIRECT ELECTIONS REQUIRED SECRET BALLOT) AND KEEPING
DIRECTORATES TENURE TO THREE YEARS. TEXT OF LAW,
(POUCHED) ALSO SPELS OUT ELECTORAL PROCEDURES WHICH WOULD
SEEMINGLY DO MUCH TO GUARANTEE FAIR ELECTIONS.

7. SOCIALIST PARTY LABOR LEADERS STILL UNCERTAIN OVER EXACT
SIGNIFICANCE OF ELECTORAL PROVISION OF NEW LABOR LAW.
MARCELO CURTO QUOTED IN PRESS AS STATING THAT SOCIALISTS
WILL "POSSIBLY" CONTEST UNION ELECTIONS. DIRECTORATE OF
ICFTU SUPPORTED CENTRO DE ESTUDIOS SINDICAIS TOLD LABATT
THAT NEARLY ALL UNIONS WILL BE REQUIRED TO HOLD NEW ELECTIONS.
MINISTER OF LABOR'S PERSONAL SECRETARY STATES "SOME UNIONS
WILL HAVE THEIR PRESENT LEADERSHIP RECOGNIZED, OTHERS WILL
HAVE TO HOLD NEW ELECTIONS." OBVIOUSLY MUCH WILL DEPEND ON
INTERPRETATION OF NEW DECREE-LAW AS TO WHETHER ELECTIONS HELD
SUBSEQUENT TO APRIL 25 REVOLUTION MEET LEGAL REQUIREMENTS.
OKUN

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LABOR LAW, POLITICAL STABILITY, LABOR UNIONS, LABOR DISPUTES, LABOR OBJECTIVES
Control Number: n/a
Copy: SINGLE
Draft Date: 08 MAY 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ElyME
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975LISBON02601
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750162-0524
From: LISBON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750570/aaaacrlrt.tel
Line Count: 132
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 75 LISBON 2598
Review Action: RELEASED, APPROVED
Review Authority: ElyME
Review Comment: n/a
Review Content Flags:
Review Date: 10 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <10 APR 2003 by Izenbel0>; APPROVED <01 OCT 2003 by ElyME>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: LABOR SITUATION
TAGS: ELAB, PINT, PO
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006